

# **MMCAP**

Government
Serving
Government



#### **MMCAP Mission**

# Minnesota Multistate Contracting Alliance for Pharmacy

Ensure best value for pharmaceuticals and health care products and services to government facilities across the nation.

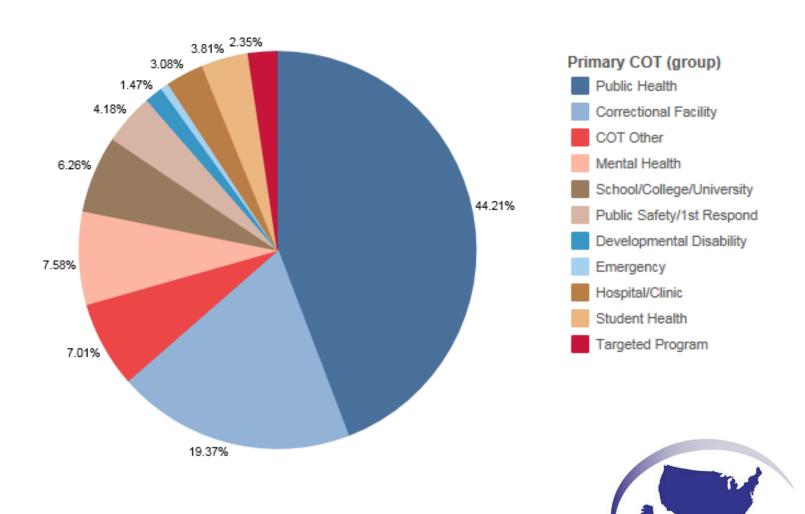


#### What is MMCAP?

- National cooperative group purchasing organization (GPO) for government facilities that provide healthcare services
- Operated by the State of Minnesota, Office of State Procurement and self funded
- Members in all 50 states
- Membership is free and voluntary



### Membership Profile



#### **MMCAP** is Member Driven

#### **State Contacts**

- Two representatives from each state (One pharmacy and one purchasing) act as liaison between MMCAP and its members
- Review membership applications and eligibility
- Evaluate pharmaceutical proposals at National Member Conference
- Assist with RFP strategy and award process
- Post MMCAP contracts on state's procurement web site

#### **Advisory Board**

- Eight member-elected representatives (Four pharmacy, four procurement)
- Ensure strategic direction is aligned with membership needs
- Voice of membership



#### **MMCAP Benefits**

- Reduced Costs for Products and Services
- Free Membership!
- Annual Wholesaler Shareback Credit
- Senior Account Executive (SAE)
- Member Controlled Formulary
- Member Driven Leadership
- Nationwide Peer Networking Opportunities
- MN Procurement Guidelines Fit States' Requirements
- Professional and Experienced Staff

# **Pharmacy Program Offerings**

Products	Services
Pharmaceuticals	Wholesale Distribution
Influenza Vaccine	Prescription Filling
General Vaccines	Repackaging
Diabetes Supplies	Returned Goods Processing
Nutritionals	Hazardous Waste Disposal
Vials and Containers	Invoice Auditing
Emergency Preparedness	Clinical Pharmacy Specialists



# Healthcare Products & Services Program

Products	Services
Medical Supplies	Service for Med Equipment
Dental Supplies	Service for Dental Equipment
Drug Testing Products	Third Party Administration with SAMHSA Certified Labs and Legal Service
Condoms	
Laboratory Supplies	



#### **Pharmaceutical Wholesalers**

• States choose one of three wholesalers (Cardinal, Morris & Dickson and AmerisourceBergen)

Cost of goods discounting on Brand and Generics

• Favorable delivery and return policies with advanced reporting options

 One-stop shopping for Pharmaceuticals, Vaccines and OTCs

#### **MMCAP Shareback Credit**

Vendor administrative fees are collected by MMCAP for its efforts in:

- Consolidating, maintaining and growing membership. Standardized contracting with manufacturers and wholesalers. Resolving member issues...
- A portion of vendor fees are used to fund MMCAP operations
- 100% of unused vendor fees are returned to MMCAP facilities as a wholesaler credit
- Amount returned is based on contract purchases
- MMCAP returns a much higher percentage of administrative fees to its members versus other GPOs
- MMCAP is a not-for-profit GPO



# **Cost Savings in Pharmacy**

Recent market basket comparisons reveal significant MMCAP savings in key customer classes of trade:

University Student Health	Department of Corrections	County Jail	Department of Health	State Hospital
12.9%	5.9%	39.8%	10.7%	4.6%
10.7%	6.2%	26.7%	5.7%	2.5%
24.6%			46.3%	

Price validation and data integrity ensured through detailed item matching process, aligning purchase dates and payment terms.



## **Ensuring MMCAP's Superior Pricing**

- Pharmaceutical Contracting Periods:
  - Generic every year
  - Brand every four years
- Aggressive price negotiations throughout contract term
- Leverage member volume purchases
- Monitor off-contract purchasing to identify products that should be added to contract
- Open and fair competition following stringent MN procurement law and policy
- Competitive pricing collected and analyzed
- WAC reports monitored for pricing changes



#### **Contact Us**

We are here to help ...

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